GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2476
ANSWERED ON:30.08.2007
GAS CRACKER PROJECT AT LEPEKKATA (ASSAM)
Subba Shri Moni Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has since cleared the Rs. 5460 crore gas cracker project at Lepekkata (Assam) as joint venture between the Gas Authority of India Ltd., Numaligarh Refinery Ltd. and the Assam Industrial Development Corporation;

(b) if so, the details of the project, its cost and how the cost and produce thereof shall be shared; and

(c) the steps since taken and being taken to implement the same?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): GOVERNMENT HAS APPROVED IMPLEMENTATION OF ASSAM GAS CRACKER PROJECT AT A PROJECT COST OF RS.5460.61 CRORES. FOR IMPLEMENTATION OF THE PROJECT, A JOINT VENTURE COMPANY, WITH GAS AUTHORITY OF INDIA LTD. (GAIL) AS THE MAIN PROMOTER WITH EQUITY PARTICIPATION OF 70% AND OIL INDIA LTD. (OIL), NUMALIGARH REFINERY LTD. (NRL) AND ASSAM INDUSTRIAL DEVELOPMENT CORPORATION (GOVERNMENT OF ASSAM) HOLDING 10% EQUITY EACH, HAS BEEN INCORPORATED ON 8.01.2007 AS 'BRAHMAPUTRA CRACKER AND POLYMER LIMITED' (BCPL).

Government will provide capital subsidy of Rs.2138 crores for the project, the remaining project cost will be borne by BCPL. The project is envisaged to produce 2,20,000 tonnes per annum (TPA) of High Density Polyethylene (HDPE) /Linear Low Density Polyethylene (LLDPE) and 60,000 TPA of Polypropylene (PP). Essentially, polymers produced from the plant would be consumed by downstream plastic processing Industries in the North Eastern states. After meeting the demand of north eastern states, the balance products would be sent to other parts of India or would be exported to the neighboring countries, if any surplus is available. Project is scheduled to be completed within 60 months from zero date (Financial closure).

(c): Various pre-project activities have been initiated. Project Offices have been opened at Guwahati and Dibrugarh. Government of Assam has transferred 890 acres of land to BPCL. OIDB has offered term loan of Rs.327 crores with certain conditions. Central Industrial Security Force (CISF) is being inducted.